News Release

Steve Westly California State Controller



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WESTLY OUTLINES NO-BUDGET SCENARIO

Sacramento, **June 25**, **2003** – State Controller Steve Westly today outlined steps he'll take to manage the state's cash during July in the absence of a budget.

Westly said he will pay prior year obligations, constitutional authorizations, federal mandates, and continuous legislative appropriations. But he said he will not make payments to vendors for services provided during the new fiscal year. Some school funds and funding for community colleges will also be withheld.

Westly said he'll continue the practice of withholding salaries and per diem from state elected officials and appointed staff until a budget is adopted.

"An on-time budget can solve all of these problems," Westly said. "We need to move quickly to avoid these difficulties and to avoid further damaging the State's financial reputation."

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Expenditures Under A "No Budget" Situation

Letter to the Legislature 6-25-03

Letter to the Legislature 5-19-03